



Deputy Directors  
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STATE OF HAWAII  
DEPARTMENT OF TRANSPORTATION  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

IN REPLY REFER TO:

Board of Land and  
Natural Resources  
State of Hawaii  
Honolulu, Hawaii

OAHU

MUTUAL TERMINATION OF HARBOR LEASE NO. H-88-36, DATED  
JULY 15, 1988, ISSUED TO HAWAIIAN CEMENT AT PIERS 33 AND 34,  
HONOLULU HARBOR, KAHOLALOA AND IWILEI, HONOLULU, OAHU

STATUTE: Sections 171-11, 36 and 61, Hawaii Revised Statutes.

LESSEE: Hawaiian Cement ("HC")

CHARACTER  
OF USE: Storage, wholesale distribution and delivery to the neighbor islands  
cement in bulk manufactured on the Island of Oahu. No retailing  
operations of any type shall be permitted.

LOCATION: Adjacent to Piers 33 and 34, Honolulu Harbor, Kaholaloa and Iwilei,  
Honolulu, Oahu, TMK: 1st/1-5-36:02 & 11, as shown on the attached  
Exhibit "A."

STATUS: Encumbered by Governor's Executive Order No. 2903, setting aside the  
land to the Harbors Division, Department of Transportation.

AREA: Parcel I of approximately 55,059 square feet, and Parcel II of  
approximately 1,432 square feet, together with Easement 1 for a non-  
exclusive subsurface pipeline easement of approximately 1,196 square  
feet, Easement 2 for a non-exclusive subsurface pipeline easement of  
approximately 1,742 square feet, Easement 3 for a non-exclusive utility  
easement of approximately 1,112 square feet, Easement 4 for a

non-exclusive utility easement of approximately 1,178 square feet, and Easement 26 for a non-exclusive utility easement of approximately 388 square feet.

ZONING: State Land Use Commission: Urban  
City and County of Honolulu: I-3 (Waterfront Heavy Industrial)

LAND TITLE  
STATUS: Land acquired after statehood, non-ceded.

TERMINATION  
DATE: To be determined by the Director of Transportation.

TERM: Thirty-five (35) years, commencing on July 15, 1988 up to and including July 14, 2023.

ANNUAL  
RENTAL: \$208,200.00

REMARKS: Honolulu Harbor has been undergoing strong demand for its facilities and reserve capacity is constrained in meeting the anticipated growth in cargo transportation. A comprehensive harbor improvement strategy has been coordinated with the principal harbor users to ensure that harbor facilities are in place to meet current and future demands. Another component of this strategy is to maximize the utilization of our valuable harbor properties and achieve operational efficiencies.

Hawaiian Cement no longer requires the premises for its operations and proposed the dismantling of its facilities on the leasehold. The pressing need to accommodate maritime operations at Honolulu Harbor and the potential to utilize this area to meet growing demands provided an opportunity for both parties to enter into discussions on the mutual termination of the harbor lease. The mutual termination will provide the Harbors Division with additional operational areas to accommodate cargo operations and release Hawaiian Cement from its financial obligations to maintain a lease it no longer requires for its operations.

Hawaiian Cement will remove its improvements and coordinate all demolition work with the review and approval of the Harbors Division.

RECOMMENDATION:

That the Board consent to the mutual termination of Harbor Lease No. H-88-36, dated July 15, 1988, subject to the terms and conditions outlined above and incorporated herein by reference and subject to the following:

1. Review and approval by the Department of the Attorney General.
2. Such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State.

Respectfully submitted,



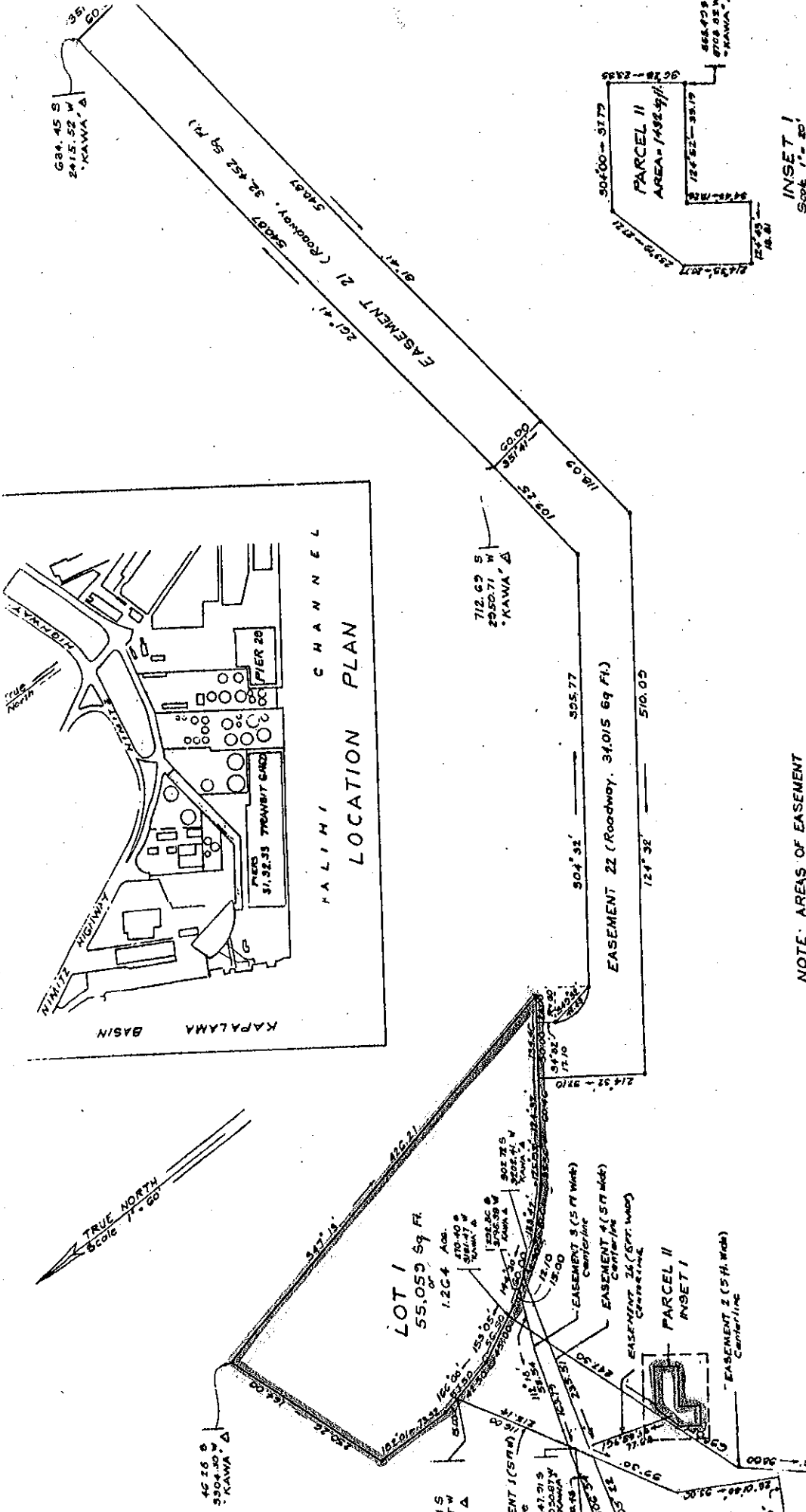
BRENNON T. MORIOKA, PH.D., P.E.  
Interim Director of Transportation

Attachment

APPROVED FOR SUBMITTAL:



LAURA H. THEILEN  
Chairperson and Member



NOTE: AREAS OF EASEMENT

EASEMENT NUMBER	AREAS IN SQ. FT.
1	1316
2	1742
3	1112
4	1178
21	32.452
22	34.015
26	388

MAP SHOWING LOT I AND EASEMENT:  
AND PARCEL II OF LAND COURT  
CONSOLIDATION 82, SECTION A  
AT KAHOLALOA AND IWI LEI, HONOLULU, OAHU

EXHIBIT "A"